

LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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DATE: JULY 8, 2005

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #6: LAFCO 2984 – City of Fontana Annexation No. 158

INITIATED BY:

City Council Resolution, City of Fontana

RECOMMENDATION:

Staff is recommending that the Commission:

1. Take the following actions with respect to environmental review:
 - a) Certify that the Final Environmental Impact Report (FEIR) (State Clearinghouse No. 2003031083) and Addendum to the FEIR (Fontana Development Code Update) adopted by the City of Fontana for the Fontana General Plan Update and pre-zoning of its sphere of influence have been independently reviewed and considered by the Commission, its staff, and Environmental Consultant;
 - b) Determine that the FEIR and the Addendum to the FEIR are adequate for the Commission's use, as a CEQA Responsible Agency, for its consideration of LAFCO 2984;
 - c) Determine that the Commission does not intend to adopt alternatives or mitigation measures for the project; that the mitigation measures identified in the City's environmental documents are the responsibility of the City and others, not the Commission;

- d) Adopt the Findings of Fact and Statement of Overriding Considerations as presented by the Commission's Environmental Consultant; and,
 - e) Direct the Clerk to file a Notice of Determination within five (5) days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as Lead Agency, has paid said fees;
2. Approve LAFCO 2984, with the following conditions:
- a) All streetlights currently the responsibility of County Service Area SL -1 within the annexation area shall be transferred to the City of Fontana upon successful completion of the annexation. The County Special Districts Department shall prepare the appropriate documentation to transfer the lights, LAFCO staff shall verify the data, and the City of Fontana shall sign the authorization form requesting Southern California Edison to transfer the specific lights to the City of Fontana accounts.
 - b) Standard terms and conditions that include the "hold harmless" clause for potential litigation costs, continuation of fees, charges, assessments, and the identification that the transfer of utility accounts will occur within 90 days of the recording of the Certificate of Completion.
3. Adopt LAFCO Resolution #2888, setting forth the Commission's findings, determinations, and conditions of approval for the proposal.

BACKGROUND:

LAFCO 2984 is a proposal to annex approximately 10+/- acres to the City of Fontana initiated by the City Council through adoption of a resolution of application. The study area is generally located at the southwest corner of the intersection of Randall and Poplar Avenues.

The City of Fontana has outlined the reason for this annexation request as being: (a) the City's services are necessary for the proposed subdivision (Tentative Tract 16658) allowing for the development of 26 lots and can benefit the few existing residences within the area; (b) the development project is consistent with land uses within the adjoining City properties; and (c) it is keeping with the City's Economic and General Plan goals and objectives.

This report will respond to the four areas that are required for Commission consideration: boundaries, land uses, service delivery and the effect on other local governments, and environmental considerations.

BOUNDARIES:

The boundaries of the proposal are generally bordered by Randall Avenue on the north, Poplar Avenue (existing City of Fontana boundary) on the east, parcel lines on the south, and Lime Avenue on the west. The area is within the City of Fontana's centrally-located sphere of influence and is contiguous to existing City boundaries along its eastern boundary. Location and vicinity maps are included as Attachment #1 to this report.

As the Exhibits identify, the application proposes an extrusion into the larger central City of Fontana sphere of influence which will create a peninsula of substantially surrounded territory to the south of the application as shown on the location maps included in Attachment #1. In addressing such a boundary concern, the Commission has three alternatives:

1. It can expand LAFCO 2984 to include the area southerly between Poplar Avenue and Lime Street. Such a modification would be in keeping with Commission directions to address a logical, efficient, and easily recognizable boundary between County and City jurisdictions. However, due to the number of developed parcels involved, staff estimates that this will change the status of the annexation to legally inhabited, reducing the support for annexation. The City of Fontana staff, on behalf of itself and developer of Tract 16658, have indicated they do not support this alternative.
2. It can deny the application on the basis that the boundary as presented does not provide for a logical and efficient service boundary. The developer of Tract 16658 opposes this option on the basis that he has been processing his tentative tract and annexation application through the City for almost two years. The City of Fontana opposes this option on the basis that the annexation application complies with the goals identified in its Economic and General Plans, and owners of eight (8) of the ten (10) parcels have consented to the annexation.
3. It can accept the City's proposal as presented, with the understanding that the City of Fontana will address the peninsula created in the near future. In reviewing this option with the City of Fontana staff they have indicated that they intend to address this southerly area as a part of the island annexation program they are pursuing. Attachment #4 outlines the island annexations being considered by the City through Updated Alternative #4 affecting this area.

Staff's recommendation, therefore, is to accept the City's proposal as presented with the understanding that the City will address the peninsula in the near future. While no specific timeframe is known for the processing of this

application, LAFCO staff has been assured of the City's commitment to pursue the resolution of its boundary issues prior to the January 1, 2007 expiration of the island annexation provisions. In addition, LAFCO staff continues to work with the City of Fontana staff regarding the acceptance of their islands configurations.

LAND USE:

The study area is currently a mix of vacant and developed lands (with six (6) existing single-family residential units). Land uses on properties which currently surround the study area include: to the east (within the City of Fontana) single-family residences; to the north (unincorporated area) single-family residences and a school site; to the west (unincorporated area) single-family residences and vacant land; and to the south (unincorporated area) single-family residences (the unincorporated areas are a part of the sphere of influence of the City of Fontana). One rationale for the submission of the annexation proposal was to address the proposed subdivision, Tentative Tract 16658, reviewed and approved by the City to create 26 lots on approximately 6.8 acres.

The City's General Plan land use designation for the annexation area is R-SF (single-family residential, 7,200 sq. ft. minimum lot size) which permits up to five (5) detached dwelling units per acre. The current County land use designation for the annexation area is 7m-RM (Multiple Residential, 1 dwelling unit per 7,000 sq. ft. and a 10,000 sq. ft. minimum lot size) which permits single or multiple dwelling units and other accessory uses. The land use determinations between the City and County General Plans are generally compatible. The City pre-zoned its sphere of influence on April 15, 2004, when the City of Fontana adopted its Ordinance No. 1444 (Zoning Ordinance). The City has pre-zoned the annexation area as R-1 (single family residential that allows an average lot size of 7,200 sq. ft.), which is consistent with the City's General Plan designation.

SERVICE CONSIDERATIONS AND EFFECT ON OTHER LOCAL GOVERNMENTS:

The City of Fontana has submitted a plan for the extension of municipal services as required by law, and that Plan is included as a part of Attachment #2 to this report. In general, the Plan identifies the following:

- Sewage collection services for the proposed 26-unit development identified as Tentative Tract 16658 will be provided through a proposed City of Fontana sewer line extending from Poplar Avenue. Sewage treatment is provided by the Inland Empire Utilities Agency, which currently overlays the site. Upon annexation, existing residential structures will not be required to connect to City sewer facilities.

- Water service is presently provided within the area by the Fontana Water Company and will not change as a result of the annexation.
- Fire protection and paramedic services are currently provided by the Central Valley Fire Protection District, which will continue to serve the area following annexation.
- Law enforcement responsibilities will shift from the San Bernardino County Sheriff's Department to the City of Fontana. The City indicates that its Police Department has sufficient personnel and equipment to adequately serve the project area.

As required by Commission policy and State law, the Plan for Services submitted by the City of Fontana shows that the extension of its services will maintain, and/or exceed, current service levels provided by the County.

In addition, pursuant to the considerations by the Commission regarding disposition of facilities of County Service Area SL-1 (streetlight entity) through City annexations, the staff has included a condition of approval to assure the transfer of facilities. Existing streetlights within the area shall be transferred from County Service Area SL-1 to the City of Fontana, and the required documents effectuating that change will be filed along with the Certificate of Completion.

ENVIRONMENTAL CONSIDERATIONS:

The City of Fontana prepared a FEIR and an Addendum to the FEIR for the City's General Plan Update and the pre-zoning of its sphere of influence. The assessment has been reviewed by the Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates. Mr. Dodson has determined that the City documents are adequate for Commission use and has indicated that the necessary environmental actions to be taken by the Commission, as a responsible agency under CEQA, are as follows:

- Determine that the certified FEIR and Addendum to the FEIR (for the Fontana Development Code Update) adopted by the City of Fontana for the Fontana General Plan Update and the pre-zoning of its sphere of influence, have been independently reviewed and considered by the Commission, its staff, and its Environmental Consultant;
- Determine that the FEIR and the Addendum to the FEIR are adequate for the Commission's use as a CEQA Responsible Agency for its determinations related to LAFCO 2984;

- Determine that the Commission does not intend to adopt alternatives or mitigation measures for the project; and that the mitigation measures identified in the City's environmental documents are the responsibility of the City and others, not the Commission;
- Adopt the Findings of Fact and Statement of Overriding Considerations as presented by the Commission's Environmental Consultant, attached to the staff report; and,
- Direct the Clerk to file the Notice of Determination within five days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the City, as Lead Agency, has paid said fees.

FINDINGS:

The following findings are required to be provided by Commission policy and Government Code Section 56668 for any change of organization/reorganization proposal.

1. The Registrar of Voters Office has certified that the study area is legally uninhabited, containing seven (7) registered voters as of March 17, 2005.
2. The study area is within the sphere of influence assigned for the City of Fontana.
3. The County Assessor has determined that the assessed value of land and improvements within the annexation area is \$1,112,586 (land - \$640,002 - improvements - \$472,584).
4. Commission review of this proposal has been advertised in *The Sun* and the *Fontana Herald News*, newspapers of general circulation within the study area. Individual notice has been provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notification.
5. LAFCO staff has provided individual notices to landowners and registered voters within the annexation area (totaling 14 notices), and to landowners and registered voters surrounding the study area (totaling 248 notices) in accordance with State law and adopted Commission policies. To date, no comments or protest have been received to the notice provided regarding the consideration of this proposal.
6. The City of Fontana has pre-zoned the study area R-1 (single family residential that allows an average lot size of 7,200 sq. ft.). This zoning

designation conforms to the adopted General Plan for the City of Fontana and is consistent with surrounding land uses. Pursuant to the provisions of Government Code Section 56375(e), this zoning designation shall remain in effect for two years following annexation unless specific actions are taken by the City Council.

7. The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the City of Fontana's FEIR, Addendum to the FEIR adopted by the City for the Fontana General Plan Update and pre-zoning of its sphere. Mr. Dodson has determined that these documents taken together are adequate for the Commission's review of the proposed annexation as a Responsible Agency, as outlined in his response included as Attachment #6. Copies of the City's environmental documents were presented to the Commission members at the November 17, 2004 hearing and were provided to new Commission members upon their selection. The necessary actions to be taken by the Commission, as a Responsible Agency, are outlined in the narrative portion of this report.
8. The area in question is presently served by the following local agencies:

County of San Bernardino
Metropolitan Water District of Southern California
Inland Empire Resource Conservation District
Inland Empire Utilities Agency (formerly known as Chino Basin
Municipal Water District) and its Improvement District C
Central Valley Fire Protection District
County Service Area SL-1 (Streetlighting)
County Service Area 70 (multi-function unincorporated area
Countywide)

County Service Area 70 and County Service Area SL-1 will be detached upon successful completion of this proposal. The transfer of streetlight facilities and responsibilities for CSA SL-1 is a condition of approval. None of the other agencies will be directly affected by the completion of this proposal through an adjustment in their boundaries.

9. The City of Fontana has submitted a plan for the extension of municipal services to the study area, as required by law. This Plan is included as a part of Attachment #2 to this report and indicates that the City can maintain and/or improve the level and range of services currently available in the area.
10. The annexation proposal complies with Commission policies that indicate the preference for areas proposed for development at an urban-level land use to be included within a City so that the full range of municipal services can be planned, funded, extended and maintained.

11. The annexation area can benefit from the availability and extension of municipal services from the City of Fontana.
12. This proposal will assist the City's ability to achieve its fair share of the regional housing needs upon development of the proposed subdivision, Tentative Tract 16658, which includes 26 new single-family residential units.
13. The County of San Bernardino and the City of Fontana have successfully negotiated a transfer of property tax revenues that will be implemented upon completion of this annexation. This fulfills the requirements of Section 99 of the Revenue and Taxation Code.
14. The map and legal description, as revised, are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

CONCLUSION:

The issue of the boundary proposed for annexation by the City of Fontana is of concern to LAFCO staff on the basis that it begins anew the creation of peninsulas of unincorporated territory. However, City of Fontana staff has indicated their intent to ameliorate this boundary problem through the implementation of their island annexation program; therefore, the Commission can choose to approve the proposal as presented. That approval would be based upon the policy standards developed by the Commission, and those outlined in State law, as follows:

- The area is developed or developing at urban levels of land use. Those parcels currently undeveloped have received City approval of a Tentative Tract (16658) for 26 new, single-family lots which will require a broad range of municipal services. Of those services needed, sewage collection is available only through the City of Fontana.
- It is clear that the undeveloped portions of this area will benefit from the extension of City services.
- The site is adjacent to urban development and the annexation will allow for the coordination of services and necessary improvements within the overall area as vacant lands transition to urban uses.

For these reasons, and those outlined in other areas of the staff report, staff supports approval of the proposal as presented since the City of Fontana has committed to addressing the southerly peninsula created through this action.

KRM/

Attachments:

1. Vicinity Maps and Annexation Area Map
2. City of Fontana's Application and Plan for Services
3. Map of Tentative Tract 16658
4. Portion of Map identifying City of Fontana Island Annexation Program
5. Landowner Consent to Annexation
6. Response from Commission's Environmental Consultant, Tom Dodson
of Tom Dodson and Associates, Including Findings of Fact and
Statement of Overriding Considerations
7. Draft Resolution #2888